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19 JUL 1967

MEMORANDUM FOR: Deputy Director for Intelligence

THROUGH : DDI Planning Officer

SUBJECT : Request for Approval of ADP Project
-- SCAM-2

1. Problem

The proposed project is a modification of an existing ADP application used to generate military expenditure estimates*. The proposed revisions are to make the system more efficient in terms of data preparation and processing and to provide a more readily useable output with increased capability to handle more data. The segment of the existing program to be revised is used to develop estimates of procurement expenditures for approximately 600 weapon systems. For each of these procurement units there are a minimum of six procurement records -- i.e., distinct sets of relevant data such as prices, R/\$ ratios, learning curves, annual production, etc..

2. Current Method

As noted, the current method employs an ADP system. The suggested proposals would significantly increase the efficiency of the existing system.

3. Description of Proposed Revisions to Existing System

a. To develop the capability for selectively changing existing data for each procurement unit (record) without the necessity of updating the entire unit (record).

*For identification purposes the program has been referred to as project MEBORR which connected it with the originating component -- the Military Expenditures Branch, Office of Research and Reports. It now appears desirable to use the more functional identifier SCAM -- Strategic Cost Analysis Model.

GROUP 1
Excluded from automatic
downgrading and
declassification

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- b. Change the time span to 1960-1989.
- c. Expand the number of decimal places available for Ruble/Dollar ratios from 2 places to 4 places.
- d. Expand the cost phasing format from a 3 year period to a 5 year period.
- e. To the output listing, add an additional line for identification of the unit.
- f. Add the capability to the output listing for insertion of titles for groups of weapon systems within a category -- e.g., Land Armaments, Tanks, Rocket Launchers, etc.
- g. Provide a check in the program to assure that all multiple allocations add to 100%.

4. Advantages of Revised Program

- a. Output listings will be more descriptive, precise, and more easily used by a broader range of consumers.
- b. Less input time will be required to change an existing record.
- c. There will be an estimated 50% reduction in keypunch time required for an update.
- d. The revised time span will be required to handle major costing efforts in near future -- e.g., NIPP-68.
- e. There will be a significant reduction in the possibility of errors on part of both PA/C and OCS because of the large reduction in volume of data to be processed.

5. Estimated Resources

a. Personnel

1) PA/C

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(a) Development

The proposed revisions will require about 2 man-weeks of effort.

(b) Maintenance

Annual maintenance time is a function of the number and extent of updates required during a year. In FY 1967 approximately 30 updates were made and it is anticipated there will be at least as many in the current year. Therefore, there will be a substantial reduction in maintenance time required for each update after proposed revisions are incorporated into existing programs.

2) OCS

(a) Development

The proposed revisions will require about $2\frac{1}{2}$ man-weeks of effort.

(b) Maintenance (Testing, changing existing files to conform with new program.)

The proposed revisions will require about 3 man-weeks of effort.

b. Machine Time

When compared to existing programs, the proposed revisions will slightly reduce the machine time required to make a procurement run. Approximately 4 hours of machine time will be required to "debug" program.

6. Degree of Urgency

It is anticipated that the next cycle of costing efforts by OSR for national intelligence support will begin by mid-August. It is, therefore, highly desirable that the revised system be operable by early August.

7. ADP Plan

Provisions have been included within the five-year ADP plan to allow proposed revisions to present program.

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8. Outlook

It is anticipated that continued and expanded use will be made of the overall defense expenditure program. It is also anticipated that further expansion and revisions will be required as demand for output increases and new ways of making the system more efficient and responsive are developed.

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Director of Strategic Research

APPROVED:

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for [REDACTED]
Deputy Director for Intelligence

25 July 67
Date

Attachment:
Form 930

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